

AMENDED IN ASSEMBLY JULY 23, 2009

AMENDED IN SENATE MAY 21, 2009

**SENATE BILL**

**No. 178**

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**Introduced by Senator Aanestad**

February 17, 2009

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An act to add Section 14673.9 to the Government Code, relating to state property, and making an appropriation therefor.

LEGISLATIVE COUNSEL'S DIGEST

SB 178, as amended, Aanestad. State property: Department of Forestry and Fire Protection.

Existing law authorizes the Director of General Services to acquire and convey real property for the state, whenever that transfer of the real property is authorized or contemplated by law.

This bill would authorize the director to sell, exchange, lease, as defined, or any combination thereof, all or a portion of the Cypress Property, approximately 3 acres of real property in the City of Redding, currently used by the Department of Forestry and Fire Protection as its Shasta-Trinity Unit Headquarters, that is specifically declared not to be surplus to the needs of the state. The bill would require the director to use the proceeds of any sale, exchange, lease, or combination thereof of all or a portion of the Cypress Property to acquire or lease ~~the land and facilities necessary to provide a substitute location for the Shasta-Trinity Unit Headquarters on or near the Redding Airport to consolidate or expand the operations of the Shasta-Trinity Unit, thereby making an appropriation~~ *a substitute location and substitute facilities for the Shasta-Trinity Unit Headquarters, thereby making an appropriation. The bill would require the state to retain ownership of the portion of the Cypress Property where the telecommunications tower*

*and the vault are located. The bill would prohibit the director from disposing of that portion of the Cypress Property, unless the director makes a specified determination. The bill would require the Department of Forestry and Fire Protection to transfer funds from its support budget to the Department of General Services for any cost or expense incurred by the Department of General Services in the disposition of the Cypress Property and in the relocation, construction, or acquisition of the substitute location and facilities for the Shasta-Trinity Unit Headquarters. The bill would authorize the director to enter into one or more agreements, contracts, or leases to provide a substitute location and substitute facilities for the Shasta-Trinity Unit Headquarters, but would also require the director to provide for the continuous operation of the state's facilities at the Cypress Property until relocation is accomplished. The bill would require the director to initially offer the Cypress Property for disposition, subject to specified terms and conditions, to the City of Redding. The bill would authorize the director to offer the Cypress Property to the public through a competitive selection process determined by the director to be in the best interest of the state, if the City of Redding is unable to enter an agreement for the disposition of the Cypress Property. The bill would also authorize the director to enter into one or more agreements or leases for the purpose of providing a substitute location for the Shasta-Trinity Unit Headquarters on or near the Redding Airport, consistent with the requirements of the initial offer and within 120 days after notice from the Department of General Services. The bill would provide that any use or redevelopment of the Cypress Property awarded to a nongovernmental entity not involving the exercise of sovereign activities of the state or another government agency would be subject to the zoning and building code regulations of the City of Redding. The bill would require the Department of General Services to notify the chairperson of the committee in each house of the Legislature that considers appropriations and the Chairperson of the Joint Legislative Budget Committee in writing of the director's intention to enter into a lease or an agreement not less than the minimum time that the Chairperson of the Joint Legislative Budget Committee is authorized to determine in each instance.*

Vote:  $\frac{2}{3}$ . Appropriation: yes. Fiscal committee: yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

SECTION 1. Section 14673.9 is added to the Government Code, to read:

14673.9. (a) The Legislature finds and declares all of the following:

(1) The state owns approximately three acres of real property located at 875 Cypress Avenue in the City of Redding, currently used by the Department of Forestry and Fire Protection as its Shasta-Trinity Unit Headquarters.

(2) For purposes of this section, the real property described in paragraph (1) shall be referred to as the “Cypress Property.”

(3) The Shasta-Trinity Unit of the department has outgrown the deteriorating facilities on the Cypress Property.

(4) The department has other operations ~~on and near the Redding Airport in the area~~, and relocating, consolidating, and expanding the operations of the Shasta-Trinity Unit ~~on or near that single location~~ will facilitate and improve the efficiency of the department and better protect the health and safety of the residents of the state.

(5) The Cypress Property may be sold, exchanged, leased, or any combination thereof and the proceeds may be used to carry out the intent of the Legislature to consolidate or expand the operations of the Shasta-Trinity Unit of the Department of Forestry and Fire Protection to protect the health and safety of the people.

(6) The disposition of the Cypress Property authorized by this section does not constitute a sale or other disposition of surplus state property within the meaning of Section 9 of Article III of the California Constitution or subdivision (g) of Section 11011.

(b) The Director of General Services may sell, exchange, lease, or any combination thereof, all or a portion of the Cypress Property. The director shall use the proceeds of any sale, exchange, lease, or any combination thereof made pursuant to this subdivision to acquire the land and facilities described in subdivision ~~(g) in order to consolidate or expand the operations of the Shasta-Trinity Unit of the Department of Forestry and Fire Protection.~~ (h).

(c) *Notwithstanding subdivision (b), because the telecommunications tower and vault are critically located on the Cypress Property for state operations, the state shall retain ownership of the portion of the Cypress Property where the telecommunications tower and vault are located, and the Director*

1 *of General Services shall not dispose of that portion of the Cypress*  
2 *Property, as otherwise authorized by subdivision (b), unless the*  
3 *director determines that the telecommunications tower and vault*  
4 *can be relocated to another site with equivalent utility as part of*  
5 *the cost of the relocation authorized pursuant to subdivision (b).*

6 ~~(e)~~

7 (d) The director shall initially offer the Cypress Property for  
8 disposition, pursuant to the authorization described in subdivision  
9 (b), to the City of Redding *for purposes of a local*  
10 *government-owned facility, and under terms and conditions that*  
11 *provide for continuous operation of the state's facilities at the*  
12 *Cypress Property until relocation is accomplished.* If the City of  
13 Redding is unable to enter into an agreement for the disposition  
14 of the Cypress Property *within 120 days after notice from the*  
15 *Department of General Services*, the director may offer the Cypress  
16 Property for disposition, as described in subdivision (b), to the  
17 public through a competitive selection process determined by the  
18 director to be in the best interest of the state.

19 ~~(d)~~

20 (e) Any exchange, lease, or sale of properties carried out  
21 pursuant to this section shall be for no less than fair market value,  
22 as determined by an independent appraisal *approved by the*  
23 *Department of General Services* or pursuant to a competitive  
24 selection process. Compensation for the Cypress Property may  
25 include land, or a combination of land, improvements, and money.

26 ~~(e)~~

27 (f) The Department of General Services shall be reimbursed for  
28 any reasonable cost or expense for the transactions described in  
29 this section from the proceeds of the sale, lease, exchange, or  
30 combination thereof of the Cypress Property. *The Department of*  
31 *Forestry and Fire Protection shall transfer funds from its support*  
32 *budget to the Department of General Services for any cost or*  
33 *expense incurred by the Department of General Services in the*  
34 *disposition of the Cypress Property and in the relocation,*  
35 *construction, or acquisition of the substitute location and facilities*  
36 *identified in subdivision (h).*

37 ~~(f)~~

38 (g) For purposes of this section, the Cypress Property shall not  
39 be subject to the provisions of Section 11011.1 or Article 8

(commencing with Section 54220) of Chapter 5 of Part 1 of Division 2 of Title 5.

~~(g) The director may enter into one or more agreements or leases for the purpose of providing a substitute location for the~~

*(h) The director may enter into one or more agreements, contracts, or leases to provide a substitute location and substitute facilities for the Shasta-Trinity Unit Headquarters on or near the Redding Airport in order to consolidate or expand the operations of the Shasta-Trinity Unit of the Department of Forestry and Fire Protection, but shall provide for the continuous operation of the state's facilities at the Cypress Property until relocation is accomplished.*

~~(h)~~

*(i) (1) Any funds received from the sale, exchange, lease, or combination thereof of all or a portion of the Cypress Property authorized by this section shall be held in trust and used only for the acquisition, lease, lease-purchase, lease with option to purchase, or lease-purchase finance of the land and facilities identified in subdivision ~~(g)~~ (h) and are hereby appropriated to the Department of General Services for expenditure for the purposes of this subdivision.*

*(2) For purposes of this section, the term "lease" or "leases" means a lease, or the selection and acquisition of a lease-purchase, lease-purchase finance, or lease with an option to purchase.*

~~(i)~~

*(j) (1) Notwithstanding Section 14669, if the City of Redding fails to enter into an agreement for the disposition of the Cypress Property, the Department of General Services shall advertise the availability of the Cypress Property and award the sale, lease, exchange, or any combination thereof, of all or a portion of the Cypress Property to the proposer offering to provide a building or buildings that meet the state's requirements if the director determines that the sale, lease, exchange, or any combination thereof to be in the best interest of the state. The director may also lease all or part of the Cypress Property for a period not to exceed 66 years.*

*(2) Any use or redevelopment of the Cypress Property awarded to a nongovernmental entity pursuant to this section and not involving the exercise of sovereign activities of the state or another*

1 government agency shall be subject to the zoning and building  
2 code regulations of the City of Redding.

3 ~~(j)~~

4 (k) (1) The Department of General Services shall develop the  
5 terms and conditions of any disposition agreement regarding the  
6 Cypress Property, and provide them to the Department of Finance  
7 for review prior to soliciting bids. The Department of General  
8 Services shall obtain approval from the Department of Finance  
9 prior to the execution of any disposition agreement regarding the  
10 Cypress Property.

11 (2) The Department of General Services shall notify the  
12 chairperson of the committee in each house of the Legislature that  
13 considers appropriations and the Chairperson of the Joint  
14 Legislative Budget Committee, or his or her designee, in writing  
15 of the director's intention to enter into a lease or an agreement,  
16 not less than the minimum time that the Chairperson of the Joint  
17 Legislative Budget Committee, or his or her designee, may in each  
18 instance determine.